



# Republican Policy Committee

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## Clinton's Raid on Defense Threatens Long-Term Security

### Clinton's Defense Budget: Promises Made, Promises Broken

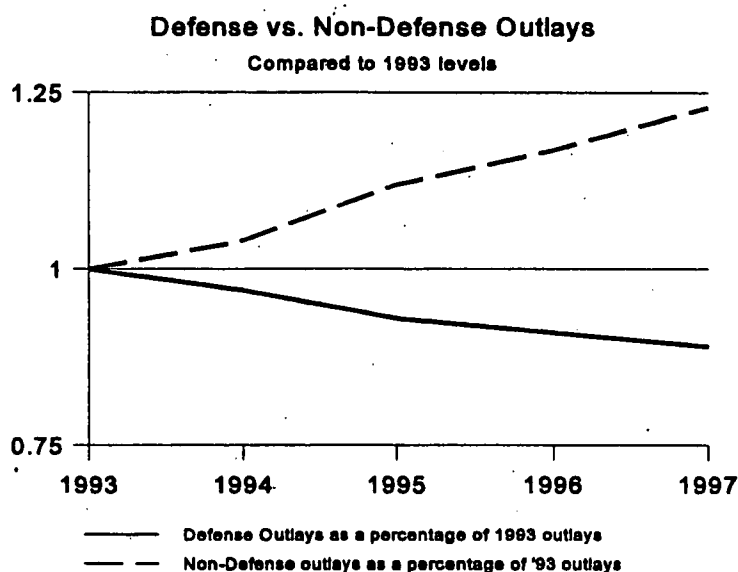
*[See also a related RPC paper, entitled "Clinton Targets Defense, Ignores Spending and Bureaucracy," 4/18/96]*

*"This year many people urged me to cut our defense spending further to pay for other Government programs. I said, no. The budget I send to Congress draws the line against further defense cuts. . . . We must not cut defense further. I hope the Congress, without regard to party, will support that position."*

President Bill Clinton, State of the Union, January 24, 1995

What a difference a year makes. In 1995, President Bill Clinton promised he would not cut defense spending further to pay for other government programs. But the President's 1996 defense budget tells a different story.

Even worse than the President not keeping a promise, the defense budget risks the future readiness of our armed forces. It inadequately funds modernization, despite appeals for more money from every military Service Chief. Perhaps President Clinton should be reminded of his 1994 commitment to the U.S. Armed Forces: "From the day I took the oath of office, I pledged that our Nation would maintain the best equipped, best trained, and best prepared military on Earth" [State of the Union Address, 1/25/94].



## Defense Spending In Decline

- Under President Clinton's FY 1997 budget proposal, defense spending will continue on a steep decline, with only modest increases coming by FY 1999:

[function 050, dollars in billions]

<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
298.4	291.1	281.6	272.1	265.6	258.7	254.8	256.5	262.9	266	275.5

- Defense spending has been falling since President Clinton took office. For instance, the Administration will spend **\$6.8 billion less** in FY 1997 (\$258.7 billion) than it did in FY 1996 (\$265.6 billion).
- The comparison to when President Clinton took office is even more dramatic, with FY 2002 National Defense spending falling below its level of 11 years earlier. Over that 11-year period, spending would be a cumulative **\$299.2 billion less**.
- According to President Clinton's FY 1997 budget, national defense spending **will stay below last year's total** until FY 2001.

## Raiding the Defense Budget to Pay for Domestic Increases

- At the same time, the President's FY 1997 appropriations request shows a marked growth in nondefense spending:

### President Clinton's FY 1997 Appropriations Request (Discretionary, outlays in billions)

	FY95	FY96	FY97	Change FY96-FY97
DEFENSE	273.6	266.4	259.4	-7.0
NON-DEFENSE	272.1	274.2	282.7	8.5

[From the President's FY 1997 Budget, Supplement, Table 4-2, p. 47 and Table S-10, p. 157]

## Impact of Cuts on U.S. Armed Forces

- The Clinton Administration's drastic cuts in defense spending have:
  - ✓ Created what the General Accounting Office reported in July of 1994 to be a \$150 billion gap between what the Administration says it wants the military to do, and the funding level provided for the U.S. military;

- ✓ Jeopardized short-term readiness; and
- ✓ Risked the long-term readiness of U.S. military forces.
- These problems were highlighted by a February 7, 1995, independent report by a distinguished panel of former high-ranking military officers. The report, requested by Senator John McCain found that:
  - ✓ “The force levels proposed by the Defense Department’s Bottom-Up Review (BUR) are insufficient to meet the BUR objective of fighting and winning two ‘nearly simultaneous’ major regional conflicts (MRCs).”
  - ✓ “The defense budget has become ‘front-end loaded’ to support current operations at the expense of future capabilities and readiness.”
  - ✓ “The long-term readiness of our forces is being jeopardized by the combination of insufficient procurement coupled with declining R&D budgets. If allowed to continue, this combination will eventually deny the forces the ability to maintain their technological superiority. . .”
  - ✓ “. . . With very few exceptions, modernization across the force has come almost to a standstill. . . . As a result, the equipment of each of the services is aging rapidly, adding to the maintenance burden and increasing the eventual ‘bow wave’ of procurement necessary to modernize the forces.”
- And as early as November 1994, it was clear that the Clinton Administration’s budget was barely providing enough to maintain U.S. readiness levels, evidenced by reports that 3 of the Army’s 12 divisions were not combat ready. This was because the Operation and Maintenance accounts was raided to pay for “non-traditional” military missions: peacekeeping in Somalia and Haiti, and helping refugees in Rwanda.
- But because the Clinton Administration has slashed defense spending, maintaining even this minimal level of short-term readiness has been at the cost of long-term readiness, as the Clinton Administration has raided procurement accounts that fund modernized forces to fund short-term readiness.
- Since 1992, procurement has been reduced by 44 percent. Since 1985, procurement has declined 71 percent. For FY 1997, the Pentagon has requested \$38.9 billion for procurement, \$3.4 billion less than what is being spent this year. This level represents the lowest level in defense procurement since the Korean War.
- The risk to the armed forces of such reductions was highlighted by General Dennis J. Reimer, Army Chief of Staff who said recently:

- ✓ "The greatest potential threat to Army readiness is the medium and long term impact of an increased operational pace and insufficient modernization funding. . . The first risk is that by failing to modernize and update our equipment, we put tomorrow's soldiers at risk. In the event of conflict, a lack of modern equipment will cost the lives of brave soldiers."

In addition, he stated:

- ✓ "Further deferral of modernization will incur significant risk to future readiness. . . . We must continue to produce and field adequate modern equipment or we risk seeing our systems simply wear out. At the current rate of replacement our tank fleet will not be completely modernized for 40 years."  
[Prepared statement before the Senate Armed Services Committee on the FY 1997 Budget Request and the Posture of the United States Army, 3/13/96]

- While the FY 1997 budget does propose increasing procurement spending in the future, such spending levels may never be reached, since the proposed sources of funding (e.g., over-optimistic inflation estimates and uncertain savings from base closing and procurement reform) is highly questionable. In fact, a recent General Accounting Office report found that "no significant" savings will result from base closings and acquisition reforms unless the Administration cuts more deeply into intelligence assets and command and communications programs [*Wall Street Journal*, 4/12/96, p. 4; For further elaboration of these points, see RPC Paper, "Clinton's Defense Budget Delays Weapons Modernization — Again," 3/13/96].
- Most recently, the Service Chiefs proposed spending a total of \$15 billion beyond the levels planned by the Clinton Administration for next year. Of this \$15 billion: the Army requested more than \$7 billion for Abrams tanks, Bradley fighting vehicles and Stinger missiles; the Navy asked for \$3 billion for a new attack submarine and at least three destroyers; the Air Force requested \$3 billion for two JSTARS aircraft, new F-15 and F-16 fighter jets and new engines for AWACS surveillance planes; and the Marines requested more than \$2 billion to speed up the purchase of the V-22 tilt-rotor aircraft as well as 155-mm howitzers [*New York Times*, 4/11/96, p. B-8].
- As the *New York Times* put it, the Military Chiefs' priorities are "at odds with the Democratic White House and in sync with Congressional Republicans, who have promised to spend billions more on the military" [4/11/96, p. B-8]. The Clinton Administration's penchant for cutting defense spending and placing U.S. national security and U.S. armed forces at risk, while at the same time increasing domestic spending, will once again push Congressional Republicans to consider adding funds to the defense budget.

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